

The following described lands will be offered for oil and gas leasing through oral competitive bidding in the Department of Transportation auditorium, 2701 Prospect Ave., Helena, Montana, beginning at 9:00 am, March 3, 2009

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
Big Horn								
1	1, 2, 3, 4, 5, 6, 7	6.S	39.E	36	All	640.00		
2	2, 3, 4, 5, 6, 16	7.S	39.E	16	W2, N2NE4, W2SE4	* 480.00		
3	1, 2, 3, 4, 5, 6	7.S	39.E	36	All	640.00		
4	1, 2, 3, 4, 5, 6, 12, 15	8.S	40.E	35	Part NE4SE4	8.14		
Chouteau								
5	1, 2, 3, 4, 5, 6	20.N	13.E	4	Lots 3, 4, S2NW4, S2	508.11		
6	1, 2, 3, 4, 5, 6, 7	20.N	13.E	5	Lots 1, 2, 3, 4, S2N2, SE4, N2SW4, SE4SW4	* 657.20		
7	1, 2, 3, 4, 5, 6, 7	20.N	13.E	6	Lots 1, 2, 3, 4, SE4NE4, NE4SE4	* 291.90		
8	1, 2, 3, 4, 5, 6, 7	20.N	13.E	8	NE4NW4, N2NE4	120.00		
9	1, 2, 3, 4, 5, 6	20.N	13.E	9	N2N2, SW4NE4, N2SE4	* 280.00		
10	1, 2, 3, 4, 5, 6, 7	20.N	13.E	16	All	640.00		
11	1, 2, 3, 4, 5, 6	20.N	13.E	19	Lots 3, 4, SE4SW4	* 110.60		
12	1, 2, 3, 4, 5, 6, 9	20.N	13.E	28	N2S2, SW4SW4	200.00		
13	1, 2, 3, 4, 5, 6, 9	20.N	13.E	29	NW4NW4, S2N2, NE4SE4	240.00		
14	1, 2, 3, 4, 5, 6, 9	20.N	13.E	30	NE4NW4, NW4NE4, S2NE4	* 160.00		
15	1, 2, 3, 4, 5, 6, 13	21.N	12.E	1	Lots 3, 4, S2NW4	* 160.30		
16	1, 2, 3, 4, 5, 6, 8, 13	21.N	12.E	5	SW4SE4	40.00		
17	1, 2, 3, 4, 5, 6, 8, 13	21.N	12.E	6	Lots 1, 2, 3, 4, 5, SE4NW4, S2NE4	308.33		
18	1, 2, 3, 4, 5, 6, 8, 13	21.N	12.E	8	W2E2, NE4NE4, NE4SE4	240.00		
19	1, 2, 3, 4, 5, 6, 13	21.N	12.E	9	S2N2, S2	480.00		
20	1, 2, 3, 4, 5, 6, 8, 13	21.N	12.E	16	All	* 607.40		
21	1, 2, 3, 4, 5, 6, 8, 13	21.N	12.E	17	N2NE4, SW4NE4, N2SE4	200.00		
22	1, 2, 3, 4, 5, 6, 13	21.N	12.E	20	NE4	160.00		
23	1, 2, 3, 4, 5, 6, 13	21.N	12.E	21	NW4, W2E2	* 320.00		

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
24	1, 2, 3, 4, 5, 6, 13	21.N	12.E	23	SE4	* 160.00	_____	_____
25	1, 2, 3, 4, 5, 6, 13	21.N	12.E	24	All	* 640.00	_____	_____
26	1, 2, 3, 4, 5, 6, 13	21.N	12.E	25	All	* 640.00	_____	_____
27	1, 2, 3, 4, 5, 6, 13	21.N	12.E	26	NE4, S2	* 480.00	_____	_____
28	1, 2, 3, 4, 5, 6, 13	21.N	12.E	28	E2E2, NW4NE4	200.00	_____	_____
29	1, 2, 3, 4, 5, 6, 13	21.N	12.E	33	All	* 640.00	_____	_____
30	1, 2, 3, 4, 5, 6, 7, 13	21.N	12.E	34	All	640.00	_____	_____
31	1, 2, 3, 4, 5, 6, 13	21.N	12.E	35	All	* 640.00	_____	_____
32	1, 2, 3, 4, 5, 6, 13	21.N	12.E	36	All	* 640.00	_____	_____
33	1, 2, 3, 4, 5, 6	21.N	13.E	16	All	* 640.00	_____	_____
34	1, 2, 3, 4, 5, 6	21.N	13.E	36	All	* 640.00	_____	_____
35	1, 2, 3, 4, 5, 6	21.N	14.E	16	All	* 640.00	_____	_____
36	2, 3, 4, 5, 6, 16	21.N	14.E	36	All	640.00	_____	_____
37	1, 2, 3, 4, 5, 6, 13	22.N	11.E	13	NE4NE4, S2N2, S2	* 520.00	_____	_____
38	1, 2, 3, 4, 5, 6, 13	22.N	11.E	14	NW4, NW4NE4, S2NE4, S2	600.00	_____	_____
39	1, 2, 3, 4, 5, 6	22.N	11.E	15	All	* 640.00	_____	_____
40	1, 2, 3, 4, 5, 6	22.N	11.E	22	All	* 640.00	_____	_____
41	1, 2, 3, 4, 5, 6, 8, 13	22.N	11.E	23	All	640.00	_____	_____
42	1, 2, 3, 4, 5, 6, 13	22.N	11.E	24	NW4, NW4NE4, S2NE4, S2	* 600.00	_____	_____
43	1, 2, 3, 4, 5, 6, 8, 13	22.N	11.E	25	All	* 640.00	_____	_____
44	1, 2, 3, 4, 5, 6, 13	22.N	11.E	26	All	640.00	_____	_____
45	1, 2, 3, 4, 5, 6	22.N	11.E	27	All	640.00	_____	_____
46	1, 2, 3, 4, 5, 6, 13	22.N	11.E	34	N2, N2SE4, SE4SE4, NW4SW4	* 480.00	_____	_____
47	1, 2, 3, 4, 5, 6, 13	22.N	11.E	35	All	* 640.00	_____	_____
48	1, 2, 3, 4, 5, 6, 8, 13	22.N	11.E	36	All	* 640.00	_____	_____
49	1, 2, 3, 4, 5, 6, 13	22.N	12.E	16	All	* 640.00	_____	_____

Tract	Stip	Twp	Rge	Sec	Description		Acres	Bidder	Bid \$/Acr
50	1, 2, 3, 4, 5, 6	22.N	12.E	19	Lots 3, 4, SE4, E2SW4	*	307.00	_____	_____
51	1, 2, 3, 4, 5, 6, 13	22.N	12.E	20	W2SW4	*	80.00	_____	_____
52	1, 2, 3, 4, 5, 6	22.N	12.E	26	W2SE4, SW4		240.00	_____	_____
53	1, 2, 3, 4, 5, 6, 13	22.N	12.E	29	W2W2		160.00	_____	_____
54	1, 2, 3, 4, 5, 6	22.N	12.E	30	Lot 4, E2E2, SW4SE4, SE4SW4		273.58	_____	_____
55	1, 2, 3, 4, 5, 6	22.N	12.E	31	Lots 1, 2, 3, 4, E2W2, E2	*	612.60	_____	_____
56	1, 2, 3, 4, 5, 6, 13	22.N	12.E	32	W2W2	*	160.00	_____	_____
57	1, 2, 3, 4, 5, 6, 13	22.N	12.E	35	E2NW4, W2NE4, N2S2	*	320.00	_____	_____
58	1, 2, 3, 4, 5, 6, 13	22.N	12.E	36	All	*	640.00	_____	_____
59	1, 2, 3, 4, 5, 6	22.N	13.E	16	All	*	640.00	_____	_____
60	1, 2, 3, 4, 5, 6	22.N	13.E	36	All		640.00	_____	_____
61	1, 2, 3, 4, 5, 6, 7, 8	22.N	14.E	16	All		640.00	_____	_____
62	1, 2, 3, 4, 5, 6, 7, 9	22.N	14.E	27	SW4NW4, SW4SE4, SE4SW4, W2SW4		200.00	_____	_____
63	1, 2, 3, 4, 5, 6	22.N	14.E	28	SE4NE4, E2SE4		120.00	_____	_____
64	1, 2, 3, 4, 5, 6	22.N	14.E	30	Lots 1, 2, NE4, E2NW4		316.06	_____	_____
65	2, 3, 4, 5, 6, 16	22.N	14.E	36	All		640.00	_____	_____
66	1, 2, 3, 4, 5, 6	23.N	13.E	36	All	*	640.00	_____	_____
67	2, 3, 4, 5, 6, 16	23.N	14.E	36	All		640.00	_____	_____
68	1, 2, 3, 4, 5, 6	27.N	15.E	36	All		640.00	_____	_____
Daniels									
69	1, 2, 3, 4, 5, 6	34.N	49.E	16	All	*	640.00	_____	_____
70	1, 2, 3, 4, 5, 6, 8, 10, 14	35.N	48.E	16	All		640.00	_____	_____
71	1, 2, 3, 4, 5, 6	35.N	48.E	36	All	*	640.00	_____	_____
72	1, 2, 3, 4, 5, 6, 8	37.N	44.E	1	Lots 5 thru 12, SE4		480.00	_____	_____
73	1, 2, 3, 4, 5, 6, 8	37.N	44.E	2	Lots 7, 8, 9, 10		160.00	_____	_____
74	1, 2, 3, 4, 5, 6	37.N	44.E	3	S2		320.00	_____	_____
75	1, 2, 3, 4, 5, 6, 8	37.N	44.E	6	Lots 5 thru 14, SE4, E2SW4		636.03	_____	_____

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
76	1, 2, 3, 4, 5, 6, 8	37.N	44.E	7	Lots 1, 2, 4, E2NW4, N2SE4, SE4SE4	316.29	_____	_____
77	1, 2, 3, 4, 5, 6, 8	37.N	44.E	8	N2	320.00	_____	_____
78	1, 2, 3, 4, 5, 6, 8	37.N	44.E	9	NW4, SE4	* 320.00	_____	_____
79	1, 2, 3, 4, 5, 6, 8	37.N	44.E	10	SW4	160.00	_____	_____
80	1, 2, 3, 4, 5, 6	37.N	44.E	13	E2NE4, SE4SW4	120.00	_____	_____
81	1, 2, 3, 4, 5, 6	37.N	44.E	14	NE4, W2SE4, N2SW4, SE4SW4	360.00	_____	_____
82	1, 2, 3, 4, 5, 6	37.N	44.E	15	N2SE4, SW4SE4, SW4	280.00	_____	_____
83	1, 2, 3, 4, 5, 6	37.N	44.E	16	All	640.00	_____	_____
84	1, 2, 3, 4, 5, 6, 11	37.N	44.E	17	S2SW4	80.00	_____	_____
85	1, 2, 3, 4, 5, 6, 11	37.N	44.E	18	Lot 1, E2NW4	118.86	_____	_____
86	1, 2, 3, 4, 5, 6	37.N	44.E	19	Lots 3, 4, S2SE4, E2SW4	238.60	_____	_____
87	1, 2, 3, 4, 5, 6	37.N	44.E	20	S2	320.00	_____	_____
88	1, 2, 3, 4, 5, 6, 11	37.N	44.E	21	All	640.00	_____	_____
89	1, 2, 3, 4, 5, 6, 7, 8, 11	37.N	44.E	22	NW4, S2NE4, S2	560.00	_____	_____
90	1, 2, 3, 4, 5, 6, 8	37.N	44.E	23	NW4NE4, S2NE4, N2SW4	200.00	_____	_____
91	1, 2, 3, 4, 5, 6	37.N	44.E	24	S2N2	160.00	_____	_____
92	1, 2, 3, 4, 5, 6, 8	37.N	44.E	25	NW4, SE4	320.00	_____	_____
93	1, 2, 3, 4, 5, 6	37.N	44.E	26	E2NE4, S2	* 400.00	_____	_____
94	1, 2, 3, 4, 5, 6, 8	37.N	44.E	27	All	640.00	_____	_____
95	1, 2, 3, 4, 5, 6	37.N	44.E	28	N2	320.00	_____	_____
96	1, 2, 3, 4, 5, 6	37.N	44.E	29	S2	320.00	_____	_____
97	1, 2, 3, 4, 5, 6	37.N	44.E	30	Lots 1, 2, 3, 4, E2W2, E2	638.32	_____	_____
98	1, 2, 3, 4, 5, 6	37.N	44.E	31	Lots 1, 2, 3, 4, E2W2, E2	639.52	_____	_____
99	1, 2, 3, 4, 5, 6	37.N	44.E	32	NE4, S2	480.00	_____	_____
100	1, 2, 3, 4, 5, 6	37.N	44.E	33	S2	320.00	_____	_____
101	1, 2, 3, 4, 5, 6, 8	37.N	44.E	34	NE4, SW4	320.00	_____	_____

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
102	1, 2, 3, 4, 5, 6, 8	37.N	44.E	35	S2	320.00	_____	_____
103	1, 2, 3, 4, 5, 6	37.N	44.E	36	All	* 640.00	_____	_____
104	1, 2, 3, 4, 5, 6	37.N	50.E	36	All	640.00	_____	_____
Fergus								
105	1, 2, 3, 4, 5, 6, 7	13.N	21.E	16	All	640.00	_____	_____
106	1, 2, 3, 4, 5, 6, 9	20.N	13.E	34	NW4	160.00	_____	_____
107	1, 2, 3, 4, 5, 6, 7	20.N	13.E	36	Lots 1 thru 6, 9 thru 13, 17 thru 20, NW4, N2SW4, SW4SW4	837.00	_____	_____
Glacier								
108	1, 2, 3, 4, 5, 6	32.N	5.W	2	SW4	* 160.00	_____	_____
McCone								
109	1, 2, 3, 4, 5, 6, 8, 10	25.N	50.E	16	All	640.00	_____	_____
Rosebud								
110	1, 2, 3, 4, 5, 6, 9	9.N	34.E	12	E2	320.00	_____	_____
111	1, 2, 3, 4, 5, 6, 9	9.N	35.E	16	All	640.00	_____	_____
112	1, 2, 3, 4, 5, 6, 9	9.N	35.E	36	All	640.00	_____	_____
113	1, 2, 3, 4, 5, 6, 7	10.N	34.E	16	All	640.00	_____	_____
114	1, 2, 3, 4, 5, 6	10.N	34.E	32	All	640.00	_____	_____
115	1, 2, 3, 4, 5, 6, 9	10.N	34.E	36	All, subject to RR R/W	640.00	_____	_____
116	1, 2, 3, 4, 5, 6, 9	10.N	35.E	32	W2NE4, NW4, S2	560.00	_____	_____
117	1, 2, 3, 4, 5, 6, 9	10.N	35.E	36	All	640.00	_____	_____
118	1, 2, 3, 4, 5, 6, 9	10.N	36.E	36	All	640.00	_____	_____
119	1, 2, 3, 4, 5, 6	11.N	33.E	36	W2NW4, E2, SW4	560.00	_____	_____
120	1, 2, 3, 4, 5, 6, 7	1.S	39.E	36	All	640.00	_____	_____
121	1, 2, 3, 4, 5, 6, 7	1.S	40.E	36	Lots 1, 2, 3, 4, W2, W2E2	636.78	_____	_____
122	1, 2, 3, 4, 5, 6, 7	1.S	41.E	36	All	640.00	_____	_____
123	1, 2, 3, 4, 5, 6, 7	7.S	41.E	36	Lots 1, 2, 3, 4, N2, N2S2	638.22	_____	_____
Sheridan								
124	1, 2, 3, 4, 5, 6	34.N	52.E	36	N2NW4, NE4, W2SE4	* 320.00	_____	_____

Tract	Stip	Twp	Rge	Sec	Description		Acres	Bidder	Bid \$/Acr
125	1, 2, 3, 4, 5, 6	34.N	53.E	16	NW4, NW4NE4, S2NE4, E2SE4	*	360.00	_____	_____
126	1, 2, 3, 4, 5, 6	34.N	53.E	20	E2NE4		80.00	_____	_____
127	1, 2, 3, 4, 5, 6	34.N	53.E	21	NW4, N2SW4		240.00	_____	_____
128	1, 2, 3, 4, 5, 6	34.N	53.E	36	S2S2		160.00	_____	_____
129	1, 2, 3, 4, 5, 6	35.N	52.E	16	NW4NW4, E2, NE4SW4, S2SW4		480.00	_____	_____
130	1, 2, 3, 4, 5, 6, 8	35.N	52.E	36	All		640.00	_____	_____
131	1, 2, 3, 4, 5, 6	35.N	53.E	2	SW4SE4, W2SW4, SE4SW4		160.00	_____	_____
132	1, 2, 3, 4, 5, 6	35.N	53.E	3	SE4NE4, SW4SE4, E2SE4		160.00	_____	_____
133	1, 2, 3, 4, 5, 6	35.N	53.E	10	NW4NE4		40.00	_____	_____
134	1, 2, 3, 4, 5, 6	35.N	53.E	11	NW4NW4		40.00	_____	_____
135	1, 2, 3, 4, 5, 6, 10	35.N	53.E	16	All		640.00	_____	_____
136	1, 2, 3, 4, 5, 6, 8, 10	35.N	53.E	36	All	*	640.00	_____	_____
137	1, 2, 3, 4, 5, 6, 11	37.N	56.E	16	All	*	640.00	_____	_____
Sweet Grass									
138	1, 2, 3, 4, 5, 6, 7, 10	2.S	13.E	16	NW4		160.00	_____	_____
Teton									
139	2, 3, 4, 5, 6, 17	23.N	8.W	16	All		640.00	_____	_____
140	2, 3, 4, 5, 6, 17	23.N	8.W	17	N2NE4, SE4NE4		120.00	_____	_____
Toole									
141	1, 2, 3, 4, 5, 6	35.N	2.W	36	S2NW4, E2, SW4		560.00	_____	_____
Treasure									
142	1, 2, 3, 4, 5, 6	8.N	35.E	16	All		640.00	_____	_____
143	1, 2, 3, 4, 5, 6	8.N	35.E	36	All		640.00	_____	_____
144	1, 2, 3, 4, 5, 6	8.N	36.E	16	All		640.00	_____	_____
145	1, 2, 3, 4, 5, 6	8.N	36.E	36	Lots 1, 2, 3, 4, N2, N2S2		642.12	_____	_____

Tract	Stip	Twp	Rge	Sec	Description	Acres	Bidder	Bid \$/Acr
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Summary by Lessor

Dept of Natural Resources & Conservation

64502.96

145

Total Acres for Lease Sale 64502.96

Total Tracts for Lease Sale 145

* Part or all of tract is not state-owned surface

Additional lease stipulations are listed on the following pages. The STIP Column on the lease sale list identifies which stipulations will be attached to each tract.

Sight drafts will not be accepted. The State Board of Land Commissioners reserves the right to reject any and all bids. All payments are due within ten days after the date of sale.

Individuals with disabilities needing assistance or special services, please call Julie David at (406)444-4576 at least 1 week prior to the sale.

STATE BOARD OF LAND COMMISSIONERS

Stipulations

1. Lessee shall notify and obtain approval from the Department's Trust Land Management Division (TLMD) prior to constructing well pads, roads, power lines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in TLMD's approval.
2. Prior to the drilling of any well, lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department's Trust Land Management Division (TLMD). After a well is drilled and completed, lessee shall send one copy of all logs run, Form 4A "Completion Report", and geologic report to TLMD. A copy of Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to TLMD whenever any subsequent change in well status or operator is intended or has occurred. Lessee shall also notify and obtain approval from the TLMD prior to plugging a well on the lease premises.

Issuance of this lease in no way commits the Land Board to approval of coal bed methane production on this lease. Any coal bed methane extraction wells would require subsequent review and approval by the board.

3. The TLMD will complete an initial review for cultural resources and, where applicable, paleontological resources of the area intended for disturbance and may require a resources inventory. Based on the results of the inventory, the TLMD may restrict surface activity for the purpose of protecting significant resources located on the lease premises.
4. The lessee shall be responsible for controlling any noxious weeds introduced by lessee's activity on State-owned land and shall prevent or eradicate the spread of those noxious weeds onto land adjoining the lease premises.
5. The definitions of "oil" and "gas" provided in 82-1-111, MCA, do not apply to this lease for royalty calculation purposes.
6. If the State does not own the surface, the lessee must contact the owner of the surface in writing at least 30 days prior to any surface activity. A copy of the correspondence shall be sent to TLMD.
7. Due to unstable soil conditions on this tract and/or topography that is rough and/or steep, surface use may be restricted or denied. Seismic activity may be restricted to poltershots.
8. The lessee is responsible to pay for all damages, including penalties and charges assessed by the USDA-CFSA on CRP lands, as a result of drilling and production on the tract.
9. Active sage grouse lek(s) have been identified on or adjacent to this tract. No activities shall occur on the tract until the proposed action has been approved in writing by the Director of the Department. If surface activity is proposed on the tract, the department will consult with the Director of the Department of Fish, Wildlife and Parks for his or her comments, concerns and recommendations. Additional mitigation measures may be required, including no-surface-occupancy buffers and/or timing restrictions, which may encompass part or all of the tract.
10. Unless otherwise approved by the Department in writing, wells and related surface infrastructure, including new road construction, are prohibited within 1/4 mile of the mean high water mark of a navigable river, lake or reservoir, including direct tributary streams of navigable waterways, on or adjacent to this tract. No surface occupancy is allowed within the bed of a river, stream, lake or reservoir, islands and accretions or abandoned channels.

Stipulations

11. Due to the floodplain/wetlands area(s), surface use may be restricted or denied.
12. The State, as a riparian owner, may have an ownership claim to adjacent river/lake/reservoir bed(s) and related acreage in this section. Upon completion of a successful well, where river, lake, or reservoir title or adjoining land title is disputed, the lessee will file an interpleader action under Rule 22, M.R.Civ.P. in the Montana District Court, or other court having jurisdiction, in which the leased lands are located for all acreage within the lease in which the title is disputed. The lessee shall name all potential royalty claimants as defendants.
13. If the lessee completes a successful oil and/or gas well, and if land title is disputed, the lessee shall fund professional land surveys as needed to determine the location and acreage encompassed by the spacing and/or pooling unit and the state lease acreage within that unit. Surveys shall be conducted by a licensed land surveyor acceptable to the Department, and shall be prepared pursuant to survey requirements provided by the Department. If necessary, the lessee will file an interpleader action under Rule 22, M.R.Civ.P. in the Montana District Court, or other court having jurisdiction, in which the leased lands are located for all acreage within the lease in which title is disputed. The lessee shall name all potential royalty claimants as defendants.
14. Due to existing surface uses and the potential for future surface development, utilization of the surface for mineral exploration and development may be restricted or denied. Review of operating plans for exploration and/or development will include consideration of both existing and potential surface development to minimize conflicts and ensure that both mineral and surface uses are consistent with one another and in the best long-term interest of the school trust.
15. No surface occupancy shall be allowed on this tract unless otherwise approved in writing by the Director of DNRC.
16. This lease includes areas that may be environmentally sensitive. Therefore, if the lessee intends to conduct any activities on the lease premises, the lessee shall submit to TLMD one copy of an Operating Plan or Amendment to an existing Operating Plan, describing in detail the proposed activities. No activities shall occur on the tract until the Operating Plan or Amendments have been approved in writing by the Director of the Department. TLMD shall review the Operating Plan or Amendment and notify the lessee if the Plan or Amendment is approved or disapproved.

After an opportunity for an informal hearing with the lessee, surface activity may be denied or restricted on all or portions of any tract if the Director determines in writing that the proposed surface activity will be detrimental to trust resources and therefore not in the best interests of the trust.

17. This lease is located within the Rocky Mountain Front area established under federal legislation removing mineral leasing and development on federal fee title lands, and federal minerals and has been identified as environmentally sensitive. The Rocky Mountain Front area is a crucial fish or wildlife area or corridor; has FWP owned surface rights; has an existing or is in the process of having conservation easements established and has important recreational value to the citizens of Montana. Therefore, except as otherwise provided below, the lessee shall not conduct any surface operations on the lease premises. If the lessee determines that surface operation on the lease premises may be required, the lessee shall submit a proposed Operating Plan or Amendment to an existing Operating Plan to the State Board of Land Commissioners and notify the Director of Fish, Wildlife and Parks describing in detail the proposed operations. No surface activities shall occur on the lease premises unless and until the Operating Plan or Amendment is approved by the Board. In determining whether to approve the proposed Operating Plan or Amendment, the following provisions shall apply:

Stipulations

- 1) If the lessee proposes an activity that does not entail any significant surface disturbance (not in excess of 1 well pad/640 acres), the Board may approve the same after completion of the appropriate environmental review in accordance with the Montana Environmental Policy Act (MEPA). As part of the MEPA process, DNRC will provide for an on-the-ground consultation with FWP, and an opportunity for public comment on the proposed activity. Public involvement in the environmental review process shall be actively solicited by the preparer of the environmental review document and shall include, at minimum, adequately noticed public meetings in three major daily publications including Missoula, Great Falls and Helena; legal notices to those non-daily papers in the affected counties, and detailed notification of landowners who own the surface rights, or directly adjacent rights, who would be impacted by development.
- 2) Before the Board approves any proposed activity on the lease premises that entails a significant surface disturbance (in excess of 1 well pad/640 acres), an environmental impact statement (EIS) shall be completed in accordance with MEPA. The EIS shall analyze the potential impacts of alternative and future potential levels of oil and gas development and extraction on an ecosystem scale as the ecosystem is defined by the "Limits of Acceptable Change - Bob Marshall Wilderness Complex" adopted by the Montana Department of Fish, Wildlife and Parks in December 1991, and any successor thereto. The analysis shall consider all relevant information, which may include, but is not limited to, existing environmental reviews and management plans, and new data concerning climate change, private lands conservation efforts, and fish and wildlife distribution and migration patterns. Public involvement in the environmental review process shall be actively solicited by the preparer of the environmental review document and shall include, at minimum, adequately noticed public meetings in at least three communities including Great Falls and Helena.
- 3) The proposed surface activity shall adhere to the "Interagency Rocky Mountain Front, Wildlife Monitoring/Evaluation Program, Management Guidelines for Selected Species" adopted by the Montana Department of Fish, Wildlife and Parks in September 1987, or any successor guidelines thereto.
- 4) The Board may refuse to approve any proposed surface operations if it determines that they do not constitute the best use of trust resources or are not in the best interest of the State of Montana.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Trust Land Management Division



BRIAN SCHWEITZER, GOVERNOR

1625 ELEVENTH AVENUE

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PO BOX 201601
HELENA, MONTANA 59620-1601

TO ALL INTERESTED PARTIES:

RE: June 2, 2009 Oil and Gas Lease Sale

In order to give as much advance notice as possible, this notice is to advise that the date of the June 2009 Oil and Gas Lease Sale has been set for **TUESDAY, JUNE 2, 2009**, at 9:00 A.M. in the auditorium of the Department of Transportation building at 2701 Prospect Avenue, Helena, Montana, east of the interstate highway. Please call the Department of Natural Resources and Conservation for detailed directions, if necessary.

The deadline filing date for submitting applications on tracts to be nominated for the sale in June is 5:00pm on March 24, 2009. Applications must be received in this office by that date. If you have any questions, please contact me at jdavid@mt.gov or (406) 444-4576.

Julie David, Supervisor
Mineral Leasing Section
Minerals Management Bureau